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5 APR 1984

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Operations
Deputy Director for Intelligence
Deputy Director for Science and Technology
General Counsel
Inspector General
Comptroller

SUBJECT: Addendum to CIA Strategic Plan, 1982-1992 [REDACTED]

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1. This memorandum transmits the 1984 Addendum to the Strategic Plan which, like the original Plan, distills our thoughts about crucial long-term goals and programs. The Addendum and the Plan should focus our thinking about priorities for the FY 1985-90 program budget, as we seek to develop the capabilities we will need beyond that period. [REDACTED]

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2. A number of themes not specifically addressed in the Addendum require close and continuing attention [REDACTED]

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[REDACTED] for example, and the need to maintain our position on the leading edge of technology in areas that are unique and critical to us. We have chosen, however, to concentrate in the Addendum on a limited number of concerns which must receive attention now if we are to achieve the goals outlined in the Strategic Plan. The most important of these concerns center on our future manpower and information handling needs. [REDACTED]

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3. The Addendum assigns responsibility for several remedial actions to be completed by year's end. I have asked the Planning Staff to keep me abreast of progress on the action items, particularly those that will involve review by the Executive Committee upon completion. [REDACTED]

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4. I want to express my appreciation for the contributions to the strategic planning process you and your staffs have made through the Interdirectorate Planning Group (IPG). Representing your collective views, the IPG has proven to be a useful mechanism to help develop our long-range strategy. I will look to the IPG this year to assist the Planning Staff in monitoring progress on the implementation of the actions called for in the Addendum. [REDACTED]

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**Executive
Director**

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Addendum (1984)

**Central Intelligence Agency
Strategic Plan, 1982-92 (U)**

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Addendum (1984)**Introduction**

This is an Addendum to the Central Intelligence Agency Strategic Plan for 1982-92. The original Plan:

- Established 12 goals to be achieved by the early 1990s.*
- Identified major long-range geographic, topical, and managerial challenges.
- Provided a strategy for meeting those challenges.

The view of the future that the original Plan projected—a view reinforced in a recent paper prepared by the National Intelligence Council—is of an increasingly troubled world: one in which events will be driven by a diffusion of economic, military, and technological capabilities; growing problems with food, water, energy, and the environment; and a population increase that will widen the already large gap between rich and poor nations. These forces will heighten the likelihood of political instability and low-level conflict in the 1990s. [redacted]

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The future viewed from Moscow's perspective may be equally disturbing. The Soviet Union will face growing internal and external pressures that raise prospects of making overdue economic reforms or risking a rising potential for domestic instability. And chances of turmoil in Eastern Europe will increase proportionately to unsteadiness in the USSR. [redacted]

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To complicate the picture, the West's ability to limit nuclear proliferation may decline as the consensus on nonproliferation weakens and a disparate nuclear marketplace grows. And the use of terrorism as a foreign policy instrument will almost certainly rise over the next decade. [redacted]

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In late 1983, we repeated the strategic planning process with broad participation by the Directorates. The 12 goals in the 1982-92 Plan were assessed in the context of the projected future environment, and their validity was unequivocally reaffirmed. Actions are planned or under way on most of the goals. This Addendum to the original Plan looks to the mid-1990s and focuses on several critical areas that urgently require action in the near term if we are to meet our long-range goals and properly serve the needs of policymakers. [redacted]

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* These goals are listed in the appendix [redacted]

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Goals and Actions

The first and most crucial area concerns the people we will need in the future. [REDACTED]

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The Manpower Goal

To ensure that CIA can continue to attract, train, motivate, and retain sufficient numbers of high-quality employees to fill our projected needs in the 1990s and beyond. [REDACTED]

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Background and the Problem

We have held a competitive position in the US job market for most of our history, largely because of the inherent attraction and mystique of a career in intelligence with the nation's most elite practitioner. As a result, we have maintained an unusually qualified work force, and our selection process is designed to keep it that way. [REDACTED]

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There is, however, a growing perception in the public and private sectors that the supply of high-caliber talent in this country, particularly in language and area studies and in some technical fields, is not keeping pace with the demand. In addition to the inadequacies in our educational system outlined by a federal commission in 1983, census projections indicate that the population in the prime recruiting ages (20 to 24 and 25 to 29) will decline for the rest of this century. The number of attractive employers outside of Government continues to swell throughout our increasingly service-oriented economy. At the same time, the benefits of government employment are decreasing even as business and industry are increasing inducements and perks to attract the brightest young people. The bidding is already intense and is likely to become even more so. [REDACTED]

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There is little reason, then, to feel complacent about our ability to attract and hold sufficient numbers of gifted people over the long term. Moreover, a larger work force of pedestrian talent simply will not do the job that must be done in the 1990s. (It is doubtful in any event that we will grow much beyond our requested personnel strength for FY 1985.) We face growing demands for rapid, current, in-depth responses to an ever expanding set of questions in an increasingly hostile and technologically advanced operating environment. The quality of our work force will be central to our ability to maintain the standard of excellence that policymakers have come to expect from us over the years. [REDACTED]

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The actions we have taken over the past two years on such key issues as new recruitment and hiring techniques and improved compensation and benefit programs reflect needed movement on manpower issues. The prospect of Congressional action in 1985 to reduce federal civilian retirement benefits—an element in the attractiveness of a career in government—increases the urgency of preparing now to ensure that our future position will be competitive. [REDACTED]

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Actions Needed in the Short Term

We must assess the difficulties we may face in maintaining the appropriate level and mix of skills and experience we will require over the long term, and we must devise ways to overcome or get around the problems we foresee. First, however, we need a more clearly defined framework within which to address the prospects for employee recruitment, motivation, training, and retention and the implications of those prospects for incentive programs now under consideration. We must project how the Agency's mix of requisite skills may change over the next 10 to 15 years as the Directorates cope in earnest with the computer environment and the technological and substantive challenges that are forecast for the 1990s. We also must develop a more accurate appreciation of the size and character of the pool of relevant talent we will have to draw on during that period. Finally, we must assess the limits—legal and reasonable—of our capacity to initiate programs to enhance our ability to compete for quality applicants and to retain and motivate our most productive employees over the long haul. Within this framework, which should be in place by the end of 1984, we will be able to implement an innovative, Agency-wide strategy to satisfy our personnel needs in the 1990s. [REDACTED]

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To create and maintain momentum to deal with this crucial issue, the Executive Director will chair a Steering Group on Personnel that will consist of the Associate Deputy Directors and representatives from the independent offices, as appropriate. The Steering Group will look to the Director of Personnel to develop studies for its review by the end of 1984 on:

- The mix of skills needed by the Directorates over the next 10 to 15 years.
- The size and character of the relevant pool of talent in the United States available to us during the same period.
- Recommendations regarding actions and programs we could undertake to improve our competitive position during that period, and a description of the legal and practical limits we face in implementing such programs and actions. [REDACTED]

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It is too early to predict the specific strategy that will result from this process. In the course of preparing this Addendum, a number of suggestions to improve our competitive position in the job market were received from the Directorates. In the short term, for example, we could experiment with pilot programs in such areas as scholarships for promising students or employees and tuition forgiveness arrangements for both in return for

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future service commitments. We will, of course, want to ensure that our people receive pay and benefits equal to or better than those of other government agencies. We may wish to make more use of experts employed elsewhere to help us solve particular problems—either through contract or loan arrangements. We must use our external and in-house training programs not only to develop advanced skills but also to expand the career opportunities of the participants. And we need to learn to do a better selling job on the advantages and satisfactions of working for the Agency.



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The second critical area involves the tools and techniques our people must have to use the volume and variety of data that will be collected in this decade and the next. [REDACTED]

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The Information Handling Goal

To integrate the tools and concepts of automated information handling into all major Agency activities by the early 1990s. [REDACTED]

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Background and the Problem

Since the Strategic Plan for 1982-92 was published, we have taken significant steps in pursuit of this goal. The Information Systems Board and its six working groups were established to resolve the most pressing policy issues confronting our information handling efforts. The Information Management Staff has drafted a long-range automation plan for the Directorate of Operations (DDO). An Intelligence Directorate (DDI) task force recently reassessed the Directorate's ADP modernization needs, and a DDI Modernization Team is being formed with a Steering Group to guide its efforts. In addition, the Office of Data Processing (ODP) is surveying the Agency's teleprocessing structure and capabilities to identify areas for improvement—potentially the most beneficial and far reaching of the actions taken. [REDACTED]

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Despite this considerable commitment, even greater effort will be required to cope with the exponential increases in the amount of information CIA will be expected to process, analyze, report, and systematically store and retrieve in the next decade. For example, Cable Dissemination System traffic—DDO, State, National Security Agency, and military cables—has more than tripled since 1976 and could well triple again by the late 1980s.

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[REDACTED] Various DDO automation efforts now under way will spur even larger increases in the flow of information. [REDACTED]

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Many of our traditional methods will have to be augmented or replaced by more efficient, automated techniques if we are to sift and exploit the greater volume and variety of data with proportionately fewer people. This need to increase productivity comes at a time when our automated information systems will require a substantial upgrade to incorporate new information handling technologies. The Agency has more data-processing power, speed, and reliability for relatively less cost than most organizations of its size, but our automated systems lack the flexibility to adapt readily to

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new programming techniques, hardware devices, and architectural and communications concepts. Furthermore, some CIA systems are so unique to our specific requirements that maintenance may be difficult once the original designers depart. []

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Actions Needed in the Short Term

By the early 1990s, every employee who needs one should have a computer terminal that will provide access to a secure, compatible, and easy-to-use set of the data and tools required to do his or her job. In some cases, the terminal should provide automated access to systems in other elements of the Intelligence Community or to organizations outside the Community. If the DDI is to cope with the influx of information from new and improved collection systems, it must acquire this capability even sooner. Failure to do so will be costly: analysts will spend too much time sorting and sifting information and not enough analyzing it. []

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Improving our ability to derive valuable intelligence from masses of raw data involves efforts to develop:

- Better methods, including machine-assisted translation, to extract intelligence from available but underexploited open sources.
- Improved access to external automated data bases.
- More effective data reduction mechanisms, including automated initial analysis of imagery and signals (some done at the collection end) as well as high-density data storage for large, basic intelligence files.
- Retrieval techniques to permit easier separation of pertinent information from the mass of irrelevant data []

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No information handling system is perfect; each decision we make eliminates some options. Still, we must develop and maintain an information handling system that is sufficiently flexible to take advantage of advances in technology when they meet the tests of availability, affordability, and need. To do so, we must be able, beyond mere extrapolation of current trends, to identify and forecast information handling requirements and objectives at Directorate- and Agency-wide levels. And we will have to support a strategy of continuous investment in our system as required. []

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Finally, we must have a work force qualified to create, maintain, and use the increasingly sophisticated automated information systems we will require in the coming years. Most components will need to allot more resources to ADP training and, probably, more slots to ADP support. []

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In addition, therefore, to continued emphasis on the important modernization and automation efforts already under way—SAFE, ALLSTAR Upgrade, CRAFT, FBIS Modernization, NPIC Upgrade, communications capitalization—we should complete or have in train the following actions by year's end:

- Each Directorate will prepare by November 1984 a long-range information handling plan using guidelines to be issued by the Information Systems Board in July. The plan should include a statement of ADP goals as they relate to specific Directorate missions and descriptions of any additional tools, techniques, training, and support needed to attain those goals.
- ODP will complete its study of the Agency's current teleprocessing structure and capabilities by year's end. The Information Systems Board will monitor progress on the study, and the Executive Committee will review it upon completion.
- The Information Systems Board will see to it that the Directorates' plans and ODP's study are incorporated into an Agency-wide plan for review by the Executive Committee. The Agency-wide plan will include an investment strategy for a phased program to provide the Agency with a modernized data-processing system. The plan also should preserve enough flexibility to accommodate inevitable future improvements.
- The Comptroller will make sure that new collection proposals include estimates of the resources needed to exploit the new data—from collection through processing, dissemination, analysis, and presentation. The Executive Director will urge members of the National Foreign Intelligence Council to make sure that all new national collection programs contain similar exploitation plans.
- In five areas, CIA's needs are so urgent that we must set the pace in research, development, and applications. Doing so will involve significant resource commitments into the 1990s. The Information Systems Board will assign responsibility for the development of investment strategies in the following areas for presentation to the Executive Committee by November 1984:



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The manpower and information handling issues will be the Agency's most pressing long-term management concerns for several years to come. How we deal with them will shape the outcome of our search for excellent performance in the future. [REDACTED]

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Two other issues with both immediate and long-term implications require special emphasis during our deliberations on resources over the next several years. One of them, countering international terrorism, is of continuing concern to policymakers. [REDACTED]

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The Counterterrorism Goal

To bring CIA resources and skills to bear in the most effective way possible to analyze, predict, and take action on terrorist threats; to frustrate terrorist plans and prevent, contain, or resolve terrorist incidents; and to derive the maximum knowledge and, thereby, future advantage from incidents that have occurred. [REDACTED]

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Background and the Problem

Events in Beirut and Kuwait in 1983 reinforced the projection in the Strategic Plan regarding the scope and lethality of terrorist actions into the 1990s. The range of isolated terrorist activity and the use of terrorism as a governmental foreign policy instrument will almost certainly grow over the next decade. [REDACTED]

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In recent years, we have increased the resources dedicated to defining and tracking this burgeoning problem. Limiting the harm inflicted on US persons, facilities, and interests by terrorist violence, however, will be a long and wearying battle, and the forces our Government can muster to do the job will not always succeed. [REDACTED]

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The Agency plays a vital albeit supporting role in the Government's effort to counter international terrorism. The Department of State has primary responsibility abroad in this area as do the Federal Bureau of Investigation and local authorities at home. We provide several crucial services. We collect and disseminate intelligence. [REDACTED]

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[REDACTED] And, when incidents do occur, we help those responsible for counteraction with advice and expertise. [REDACTED]

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A strategy to expand and refine our counterterrorism contribution has been developed; many of the required undertakings are in process. The strategy includes a thoroughly integrated approach to the problem within the Agency. In addition to increased collection efforts against international

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terrorist targets, it calls for the creation and training of flexible response forces that will include detailees from other government agencies when skills are required that are not normally available in CIA; expanded



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Actions Needed in the Short Term

A sense of urgency on this matter is already well established throughout the foreign policy and national security community. The well-considered and effective strategy outlined above is being acted upon. We need principally at this point to preserve an appropriately high level of priority for matters related to counterterrorism during deliberations on resource allocation—and to sustain that high level for the relatively prolonged period that will be needed to refine and maintain an increasingly effective counterterrorism effort.



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Another issue requiring a sustained level of urgency is the need to improve our ability to respond quickly to the requirements of policymakers in crisis situations. [REDACTED]

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**The Surge Capability
Goal**

To ensure that we can react rapidly and effectively to hotspot crises or contingency situations in areas not routinely covered in depth by the Intelligence Community. [REDACTED]

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Background and the Problem

Consumers at the national and departmental levels are being called upon more and more to develop options for projecting and protecting US interests in crisis or contingency situations. Such situations are likely to occur even more frequently than they have and, quite often, in areas of the world that have relatively low priority in terms of routine intelligence reporting. To support the decisionmaking process on the policy level and to make implementing the decisions easier—particularly those with military implications—we need to improve our ability to sense and report routinely on incipient problems in such areas and to provide expanded coverage of them as required. We also must be able to exploit quickly what we know so that we can identify and collect only against what we need to know in rapidly breaking situations. [REDACTED]

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Actions Needed in the Short Term

The Agency can take certain actions alone in this regard; others will require broader participation. In the long run, a well-integrated division of labor within the Intelligence Community will be the key to success with this goal. In a step we can take internally, the four Directorates will conduct a study, jointly managed by the Deputy Director for Intelligence and the Deputy Director for Operations:

- To identify improvements that would lead to more rapid and effective response in crisis situations.
- To determine which of these improvements should be addressed at the Community level and which we should handle ourselves.

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The study should be completed by October 1984. It should include strategies for achieving internal and external enhancements. The Executive Committee will review the strategies and assign responsibility for actions to be completed within CIA. The Executive Director will convey recommendations for Community action to the National Foreign Intelligence Council.

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It is important to recognize that the effort required to meet our strategic goals will be costly and continuing. To the extent possible, we must identify and protect the resources needed to fund that effort. To this end, the Plan and this Addendum are intended to serve now and in future iterations as guides to help establish priorities for the allocation of finite resources.

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Appendix

Goals To Be Achieved by the Early 1990s

1. *Refocus managerial attention on goal-related resource increases and qualitative improvements rather than on growth across the board in the size of the Agency:* With the Fiscal Year 1984 budget and projections through FY 1988, we should recover from the drawdown in resources experienced in the 1970s.

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Beyond this point, the greatest improvements in our capabilities are likely to be achieved by better trained and motivated people, better working conditions, improved security, better technical support to our clandestine activities, significant improvements in information handling systems, and innovative target-oriented collection and analysis projects.

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2. *Emphasize specific areas for enhancement of intelligence capabilities beyond FY 1984:* CIA will need to sharpen its focus and improve its intelligence collection and analytic capabilities beyond FY 1984 on the following area and topical targets:

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5. *Increase CIA support to the activities of other US intelligence organizations:* We expect to continue to see a growth in customers for intelligence. The number of countries and topics to be reported on has already expanded, and there are pressures for more current reporting, crisis monitoring, and tactical support to old and new customers alike. These demands create both challenges to us in responding and opportunities for gaining support. [REDACTED]

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6. *Increase support from other US agencies:* We will increasingly interact with other US Government organizations in and outside the Intelligence Community in a wide variety of ways such as: intelligence requirements, [REDACTED]

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7. *Expand the CIA research and development effort:* New applications of technology continue to be needed to facilitate handling of copious quantities of data, to enhance agent capabilities and defeat foreign efforts to counter agent operations, as well as to strengthen the security of operations against espionage, technical, and terrorist threats. In addition, we must stay on top of newly emerging technologies and determine how they can improve intelligence analysis, collection, processing, and support capabilities. The emphasis should be on microelectronics, power sources, high density storage, advanced information systems, and data compression. The Intelligence Research and Development Council report on technology needed to support initiatives called for in the 1985 Intelligence Capabilities Study should serve as a guide for these efforts. [REDACTED]

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8. *Improve physical facilities:* A new building on the Headquarters compound will be the centerpiece of our effort to provide adequate working space in the Washington metropolitan area. While we want to alleviate severe overcrowding, we also want to provide adequate and attractive working space, improve employee morale and productivity, and enhance the security of our activities. [REDACTED]

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9. *Expand information systems and services and integrate them into Agency activities:* Increased requirements for information handling and rapidly evolving technology for improving the transfer, processing, and analysis of information present substantial opportunities and formidable managerial challenges to the development of effective information systems. Meeting these challenges will be one of the most difficult and complex problems facing Agency managers during this decade. Successful integration of new information technology has the potential for stimulating dramatic changes in Agency capabilities, procedures, and organization. In developing major information systems, Agency managers must:

- Ensure that the systems are fully integrated into the major activity areas of the Agency: intelligence analysis, technical intelligence collection and processing, clandestine operations, communications and other administrative support activities, and management functions. By the end of the planning period, these systems should be as fully integrated, procedurally as well as physically, into the day-to-day activities of the Agency as the telephone and typewriter are today. [redacted] 25X1
- Proceed with the development of some deliberately independent information systems, such as that under way today in CRAFT, to ensure sensitivity to the differing requirements and operating environments within the Agency, but within the context of an overall Agency information systems architecture. [redacted] 25X1
- Strive hard for equipment and procedural compatibility to permit desired networking when security safeguards will permit. Security and integrity of information systems will be the overriding priority in future development. [redacted] 25X1
- Implement future systems incrementally, using pilot projects to demonstrate feasibility, to ensure a smooth transition and integration into ongoing activities. [redacted] 25X1
- Ensure the development of information handling capabilities through marriage between automatic data processing equipment and communications networks. [redacted] 25X1
- Build sufficient flexibility, redundancy, and survivability into information systems (both computer and communications systems) to meet crisis surge requirements and reduce vulnerability to direct attack. [redacted] 25X1

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10. *Develop innovative personnel management policies, procedures, and programs:* Agency activities are, for the most part, people intensive. The quality of our work force, even more than its size, is central to the Agency's ability to maintain and improve its capabilities. During the 1980s, the Agency—like other parts of the Federal Service—will face severe problems recruiting, motivating, and keeping highly qualified people. Competition from the private sector (which will increase as the domestic economy improves) and other government agencies for scarce skills, changing lifestyles and societal attitudes toward career commitments, negative perceptions of Federal Service, government-wide reductions in rewards and benefits, the need to accommodate two-income families, the increased hazards of service abroad, and many like factors will challenge Agency managers. [REDACTED]

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The first priority of Agency managers at all levels must be to recruit and retain highly skilled, motivated, and experienced employees. We must develop personnel management policies and programs that meet changing skill mix requirements, provide effective monetary and nonmonetary incentives, promote high morale and discipline, and recognize the distinctive requirements and operating environment of the CIA. Agency leaders should try to restore the sense of "family" that characterized and motivated Agency employees in the past. [REDACTED]

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The Agency must develop specific programs to:

- Improve communication on personnel policies.
- Improve the opportunities for career mobility for the benefit of both the individual and the Agency.
- Establish executive training programs.
- Enhance nonmonetary rewards and benefits.
- Improve employee services.
- Plan for the changing character of clerical duties as the result of increased automation.
- Plan for the more effective management of dual-career families.
- Expand medical and physical fitness facilities. [REDACTED]

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11. *Improve the security of Agency activities:* Foreign espionage, technical sensors, and more restrictive operational environments will increasingly threaten the security and effectiveness of our activities. International terrorism is on the rise. Anticipated increases in personnel turnover and changes in societal values will challenge efforts to ensure security discipline. The increased use of computers presents special challenges and will

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require computer and communications security measures. Finally, requirements and policies that make release of information on Agency activities to the public necessary or tactically desirable may run counter to effective security. The Agency must:

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12. *Plan for the continuity of essential Agency activities under crisis and wartime conditions:* In support of national continuity of government programs and in concert with other Intelligence Community components, the Agency must develop the capability to cope with a wide range of emergencies. The planning must center on a survivable, worldwide communications system and include the secure storage of essential data bases, stockpiling of basic logistic material, and the establishment of a cadre of experienced people available for service with the Agency when required.

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